

Financial.
The Financial World.

Though business has tended to become more restricted through the week, and the trading has been mainly of a professional character, the market has been strong; and wherever activity has developed in a stock, it has brought higher prices. There is no reason why it should be otherwise in view of the strength of the general economic situation. While war is the first thing in public attention, and necessarily must continue so as long as it lasts, it is not of sufficient magnitude at this time to constitute itself the dominant factor in the making of prices. Every one recognizes that the war has not yet settled the question of the international trade, and the prosperity of our international trade, aimed at the expansion of the world's trade, is exemplified in our records; and the steadily increasing railroad earnings which grow out of this trade. The war has not interfered with this, but has rather augmented it than otherwise. The activity of domestic trade is represented by an increase of 22 per cent in the bank clearings over the corresponding week last year.

Under such circumstances the advance in the prices of securities is natural; and resting on a solid foundation, it may be expected, with incidental reactions, to continue; which will give us such bull markets as were seen in '79, '80, and '81. The bull market of last summer was only preliminary to those we are destined to enjoy. That the market should have narrowed to a professional one the past week, was a consequence of the public apprehension that a great battle, and one largely decided by war, might be expected at any moment. This apprehension became acute after Washington advices, apparently indicating that the Government was looking for the news within forty-eight hours. Sunday is a good fighting day. The biggest battles often take place on Sundays.

While the general public is disposed to wait for the important news, and is therefore not buying though confidently expecting a victory which would cause prices to jump, certain of the leading professionals have not waited. The Flower contingent, which includes some of the wealthiest men in the country, have been buying their stocks; and thus it has happened that the Flower Stocks have been the most active on the list; indeed but for them, the market would on some days have been barren. Rock Island, Chicago Gas, and Brooklyn Traction are conspicuously the Flower stocks. The former headed the movement, and not only crossed par for the first time since November, 1889—but went to 102½, leaving Burlington behind and St. Paul still further in the rear. For Rock Island to get ahead of Burlington was something so remarkable that precedents were hunted up, and they were only found back in the '70s, or some equally remote time. The reason for this change of position is the expectation that at the annual meeting of the Rock Island Company June last the stockholders will get something in the nature of a "plum," a distribution of surplus moneys in the company's treasury which will compensate them for the loss they suffered when in the years of the lean line the dividends were

Chicago Gas went up to 98½, and as a dividend of 1½ per cent had come off only a day or two before this quotation was made, the price was equivalent to par. As a 6 per cent stock,

ought to move above par and probably will. An early movement in that direction is looked for. Brooklyn Traction became active only the latter part of the week, when it rose a couple of points or more from 40, on large transactions. It was rumored that some new and favorable arrangements had been concluded with the Brooklyn elevated roads. The 5 per cent bonds of the company, selling about 95, ought to be a good investment.

The Flower people are also talking favorably of St. Paul, and intimate that when London gets through with its selling, for it has been selling the stock freely lately and must be pretty well bailed out, that it will go up to higher prices than were made last September, which was something over par. The earnings of the road are very heavy. It will earn between 33 and 34 millions gross this fiscal year. Burlington is also selling up large earnings.

One effect of the war has been to give a great stimulus to the rubber and leather trade. The demand for the manufactured goods has been large, and the stocks of the Rubber Company and of the United States Leather Company have reflected this in an advance in their market price. Leather preferred is said to be booked for a good rise. Some of the more speculative element of the Street are taking hold of it, on the theory that the war will wear out a good many thousands of pairs of shoes, to say nothing of harness, etc.

Manhattan had a smart rise, and rumors are current that a deal is in progress between the company and the Metropolitan. Insiders say that as soon as the market gets the stimulus of news of a victory by Admiral Sampson, these stocks will be leaders in the upward movement which is certain to follow.

The bullish influence of easy money continues and will continue, Mr. Sage to the contrary notwithstanding. The old gentleman gave out a very bearish interview the other day, in which he predicted tight money, possible reverses for our arms, and a five to ten point drop in the stock market. "He has sold his stocks and wants to get them back," was the comment of those who are posted on his ways. Leading

bankers do not agree with Mr. Sage on the money question. They see no danger of a disturbed money market. And as money can now be had at 4 per cent up to February next, it looks as if money lenders other than Mr. Sage were willing to take chances on a reverse to our arms.

One of these bankers, one whose sagacity has been proved by his success, said the other day that the issue of bonds by the Government would be so contrived by Secretary Gage that no disturbance whatever would be made in the money market. All the machinery of the banking interest would be at his disposal to make the issue; and it would be effected so that money

would at no time be withdrawn from circulation in any inconvenient amount. In the meantime the Government was paying out for war expenses about a million per day; which money went into immediate circulation, and was a powerful contributing cause to the present ease of the money market. This gentleman calculated that the passage of the revenue bill would require about 30 days; hence it would be 35 days certainly before the Treasury began to get back

any of the moneys it was now distributing at the rate mentioned. By the time the \$20,000,000 of bonds were issued, the banks would be paid out with the money the Treasury had paid out, (the surplus reserve is now over \$5,000,000), the return flow would be without effect on the market. For this reason he did not anticipate any further continued ease in money.

If we have to wait all through the coming week for news of a fight, expecting it each day, the market is very likely to continue narrow and may become very dull. If the fight takes place, and a victory of a decisive character is scored, nothing can prevent the liveliest kind of a bull movement, which will sweep in pretty much all the money that is ready to hand.

near the whole list. Union Pacific ought to have a considerable share in it, for hitherto it has been doing so much so as to cause comment. It is a probable dividend paper in the Fall it ought to sell higher.

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detour through the front portion of the White House grounds, where the soldiers were reviewed by the President, Secretaries of War and Adjutant-General. The whole line of march was accompanied with people, and at every place the troops were greeted with deafening shouts from the throngs of people on the portico until the last man passed.

VOLUNTEER SOLDIER ARRESTED.

Middletown, N. Y., May 21.—Chief of Police Veldtman to Camp Black yesterday and arrested Eugene Harding, a private of Company I, 24th Volunteer Infantry, formerly the 24th Separate Company, of this city. He was brought here to answer a charge of appropriating about \$2500 belonging to his employers, Snyder & Fancher, wholesale grocers.